



DEPARTMENT OF COMMERCE

International Trade Administration

[C-570-107]

Wooden Cabinets and Vanities and Components Thereof from the People's Republic of China: Final Results and Partial Rescission of Countervailing Duty Administrative Review; 2019-2020

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The U.S. Department of Commerce (Commerce) determines that countervailable subsidies are being provided to the producers and exporters subject to the administrative review of wooden cabinets and vanities and components thereof (cabinets) from the People's Republic of China (China) during the period of review (POR) August 12, 2019, through December 31, 2020. Commerce is also rescinding the review with respect to four companies that had no reviewable entries during the POR.

DATES: Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

FOR FURTHER INFORMATION CONTACT: Thomas Schauer, AD/CVD Operations, Office I, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-0410.

SUPPLEMENTARY INFORMATION:

Background

Commerce published the *Preliminary Results* of this administrative review in the *Federal Register* on May 6, 2022, and invited interested parties to comment.¹ On June 6, 2022, we received timely case briefs from the American Kitchen Cabinet Alliance (the petitioner) and

¹ See *Wooden Cabinets and Vanities and Components Thereof from the People's Republic of China: Preliminary Results of Countervailing Duty Administrative Review, Rescission and Intent To Rescind Administrative Review, in Part; 2019-2020*, 87 FR 27099 (May 6, 2022) (*Preliminary Results*), and accompanying Preliminary Decision Memorandum (PDM).

Dalian Hualing Wood Co., Ltd. (Hualing). On June 13, 2022, we received timely rebuttal briefs from the petitioner and from Hualing. For a complete description of the events that occurred since the *Preliminary Results*, see the Issues and Decision Memorandum.²

Scope of the Order³

The product covered by the *Order* is cabinets from China. A full description of the scope of the *Order* is contained in the Issues and Decision Memorandum.

Analysis of Comments Received

All issues raised by interested parties in briefs are addressed in the Issues and Decision Memorandum accompanying this notice. A list of the issues raised by interested parties and to which Commerce responded in the Issues and Decision Memorandum is provided in the Appendix to this notice. The Issues and Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at <https://access.trade.gov/public/FRNoticesListLayout.aspx>.

Changes Since the *Preliminary Results*

Based on comments in case and rebuttal briefs and record evidence, Commerce made certain changes from the *Preliminary Results* with regard to the calculation of Hualing's program rates. As a result of the changes to Hualing's program rates, the final rate for Jiangsu Xiangsheng Bedtime Furniture Co., Ltd., and Senke Manufacturing Company (*i.e.*, the non-selected respondents) and the final total adverse facts available (AFA) rates for Nantong Aershin

² See Memorandum, "Issues and Decision Memorandum for the Final Results of the Countervailing Duty Administrative Review of Wooden Cabinets and Vanities and Components Thereof from the People's Republic of China; 2019-2020," dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).

³ See *Wooden Cabinets and Vanities and Components Thereof from the People's Republic of China: Countervailing Duty Order*, 85 FR 22134 (April 21, 2020) (*Order*).

Cabinet Co., Ltd. (*i.e.*, the non-cooperative mandatory respondent) also changed. These changes are explained in the Issues and Decision Memorandum.

Methodology

Commerce conducted this administrative review in accordance with section 751(a)(1)(A) of the Tariff Act of 1930, as amended (the Act). For each subsidy program found to be countervailable, Commerce finds that there is a subsidy, *i.e.*, a financial contribution from a government or public entity that gives rise to a benefit to the recipient, and that the subsidy is specific.⁴ For a full description of the methodology underlying all of Commerce's conclusions, including any determination that relied upon the use of AFA pursuant to section 776(a) and (b) of the Act, *see* the Issues and Decision Memorandum.

Rescission of Administrative Review, in Part

It is Commerce's practice to rescind an administrative review of a CVD order, pursuant to 19 CFR 351.213(d)(3), when there are no reviewable entries of subject merchandise during the POR for which liquidation is suspended.⁵ Normally, upon completion of an administrative review, the suspended entries are liquidated at the CVD assessment rate calculated for the review period.⁶ Therefore, for an administrative review of a company to be conducted, there must be a reviewable, suspended entry that Commerce can instruct U.S. Customs and Border Protection (CBP) to liquidate at the CVD assessment rate calculated for the review period.⁷

As noted in the *Preliminary Results*, according to the CBP import data, the following four companies subject to this review did not have reviewable entries of subject merchandise during the POR for which liquidation is suspended: (1) Guangzhou Nuolande Import and Export Co., Ltd.; (2) Linyi Kaipu Furniture Co., Ltd.; (3) Shandong Longsen Woods Co., Ltd.; and (4) Zhoushan For-strong Wood Co., Ltd. Accordingly, in the *Preliminary Results*, Commerce stated

⁴ See sections 771(5)(B) and (D) of the Act regarding financial contribution; section 771(5)(E) of the Act regarding benefit; and section 771(5A) of the Act regarding specificity.

⁵ *Id.*

⁶ See 19 CFR 351.212(b)(2).

⁷ See 19 CFR 351.213(d)(3).

its intention to rescind the review with respect to these companies in the final results. We continue to find these companies had no reviewable entries of subject merchandise during the POR for which liquidation is suspended. Because there is no evidence on the record of this segment of the proceeding to indicate that these companies had entries, exports, or sales of subject merchandise to the United States during the POR, we are rescinding this review with respect to these companies, consistent with 19 CFR 351.213(d)(3).

Companies Not Selected for Individual Review

The statute and Commerce's regulations do not address the establishment of a rate to be applied to companies not selected for examination when Commerce limits its examination in an administrative review pursuant to section 777A(c)(2) of the Act. Generally, Commerce looks to section 705(c)(5) of the Act, which provides instructions for determining the all-others rate in an investigation, for guidance when calculating the rate for companies which were not selected for individual examination in an administrative review. Under section 705(c)(5)(A) of the Act, the all-others rate is normally "an amount equal to the weighted average of the countervailable subsidy rates established for exporters and producers individually investigated, excluding any zero or *de minimis* countervailable subsidy rates, and any rates determined entirely {on the basis of facts available}."

There are two companies for which a review was requested and not rescinded, and which were not selected as mandatory respondents or found to be cross owned with a mandatory respondent: (1) Jiangsu Xiangsheng Bedtime Furniture Co., Ltd., and (2) Senke Manufacturing Company. For these non-selected companies, we are basing the subsidy rate on the subsidy rate calculated for Hualing, the only mandatory respondent with a final subsidy rate that is not zero, *de minimis*, or based entirely on facts available.⁸ This methodology to establish the non-selected subsidy rate is consistent with our practice with regard to the all-others rate, pursuant to section 705(c)(5)(A)(i) of the Act.

⁸ See Issues and Decision Memorandum at 5.

Final Results of Administrative Review

In accordance with 19 CFR 351.221(b)(5), Commerce calculated the following net countervailable subsidy rates for the period August 12, 2019, through December 31, 2020:

Company	Subsidy Rate – 2019 (percent <i>ad valorem</i>)	Subsidy Rate – 2020 (percent <i>ad valorem</i>)
Dalian Hualing Wood Co., Ltd.	8.44	2.78
Nantong Aershin Cabinet Co., Ltd. ⁹	144.63	144.63

Review-Specific Average Rate Applicable to the Following Companies

Company	Subsidy Rate – 2019 (percent <i>ad valorem</i>)	Subsidy Rate – 2020 (percent <i>ad valorem</i>)
Jiangsu Xiangsheng Bedtime Furniture Co., Ltd.	8.44	2.78
Senke Manufacturing Company	8.44	2.78

Disclosure

We intend to disclose the calculations performed in connection with these final results to parties in this proceeding within five days after public announcement of the final results or, if there is no public announcement, within five days of the date of publication of the notice of final results in the *Federal Register*, in accordance with 19 CFR 351.224(b).

Assessment Rates

Pursuant to section 751(a)(2)(C) of the Act and 19 CFR 351.212(b)(2), Commerce will determine, CBP shall assess, countervailing duties on all appropriate entries of subject merchandise covered by this review. We intend to issue assessment instructions to CBP 35 days after the date of publication of these final results of review. If a timely summons is filed at the U.S. Court of International Trade, the assessment instructions will direct CBP not to liquidate relevant entries until the time for parties to file a request for a statutory injunction has expired (*i.e.*, within 90 days of publication).

⁹ This company was selected as a mandatory respondent but did not respond to Commerce's initial questionnaire. Accordingly, the rate for this company was based on facts available with an adverse inference pursuant to sections 776(a) and (b) of the Act. For a detailed discussion, *see Preliminary Results PDM*.

For the companies for which this review is rescinded, Commerce will instruct CBP to assess countervailing duties on all appropriate entries at a rate equal to the cash deposit of estimated countervailing duties required at the time of entry, or withdrawal from warehouse, for consumption, during the POR in accordance with 19 CFR 351.212(c)(1)(i).

Cash Deposit Instructions

In accordance with section 751(a)(1) of the Act, Commerce intends to instruct CBP to collect cash deposits of estimated countervailing duties in the amounts shown for each of the respective companies listed above on shipments of subject merchandise entered, or withdrawn from warehouse, for consumption on or after the date of publication of the final results of this administrative review. For all non-reviewed firms subject to the order, we will instruct CBP to continue to collect cash deposits of estimated countervailing duties at the most recent company-specific or all-others rate applicable to the company, as appropriate. These cash deposit requirements, effective upon publication of these final results, shall remain in effect until further notice.

Administrative Protective Order

This notice also serves as a reminder to parties subject to an administrative protective order (APO) of their responsibility concerning the destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely written notification of the return or destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and terms of an APO is a sanctionable violation.

Notification to Interested Parties

Commerce is issuing and publishing these final results in accordance with sections 751(a)(1) and 777(i)(1) of the Act and 19 CFR 351.221(b)(5).

Dated: August 18, 2022.

Lisa W. Wang,
Assistant Secretary for Enforcement and Compliance.

Appendix

List of Topics Discussed in the Issues and Decision Memorandum

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